



**STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
STATE CAPITOL  
NASHVILLE, TENNESSEE 37243-0285  
DAVE GOETZ  
COMMISSIONER**

**FOR IMMEDIATE RELEASE  
February 10, 2003**

**CONTACT: Gerald Adams  
(615) 741-2401**

## **January Revenues**

**Nashville** – On an accrual basis January is the sixth month in the 2002-20003 fiscal year. Department of Revenue tax collections were \$807.6 million. The collections include new revenue collected under the Tax Reform Act of 2002.

January revenues were \$32 million less than the budgeted estimates, Finance and Administration Commissioner Dave Goetz announced today. The general fund had a \$26.1 million undercollection and the four other funds undercollected by \$5.9 million.

Sales tax collections were \$4.6 million more than the estimate. Adjusted for the rate change and the single article cap, the growth in sales tax collections was 1.75% for the month. For August through January, the adjusted growth is 1.59%.

Franchise and excise taxes combined were \$115.2 million for the month. Collections were \$26.8 million less than the budgeted estimate. For six months revenues are \$24 million undercollected.

Gasoline taxes and motor vehicle registrations in January were \$6 million less than the budgeted estimate of \$80.2 million.

Year-to-date collections for six months are \$26.1 million less than the budgeted estimate. The general fund has an undercollection of \$41.3 million and the four other funds are overcollected by \$15.2 million.

The budgeted revenue estimates are based upon the State Funding Board's consensus recommendation adopted by the second session of the 102<sup>nd</sup> General Assembly in June of 2002.

<p align="center"><b>REVENUE COLLECTIONS</b></p> <p align="center"><b>JANUARY, 2003, AND 6 MONTHS YEAR-TO-DATE</b></p>
--

**January Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$714,624,000	\$688,573,000	(\$26,051,000)
Highway Fund	46,012,000	41,920,000	(4,092,000)
Sinking Fund	19,707,000	19,731,000	24,000
City & County Fund	56,098,000	54,080,000	(2,018,000)
Earmarked Fund	3,237,000	3,337,000	100,000
<b>Total</b>	<b>\$839,678,000</b>	<b>\$807,641,000</b>	<b>(\$32,037,000)</b>

**Year-To-Date Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$3,366,911,000	\$3,325,609,000	(\$41,302,000)
Highway Fund	280,726,000	291,428,000	10,702,000
Sinking Fund	114,376,000	114,411,000	35,000
City & County Fund	311,808,000	316,752,000	4,944,000
Earmarked Fund	16,325,000	15,890,000	(435,000)
<b>Total</b>	<b>\$4,090,146,000</b>	<b>\$4,064,090,000</b>	<b>(\$26,056,000)</b>

Table 1  
Tennessee Department of Revenue  
Comparative Statement of Collected Revenues

Class of Tax	January			
	2002	2003	Change	Percent
Franchise & Excise	\$130,283,000	\$115,189,000	-\$15,094,000	-11.59%
Income	3,078,000	2,285,000	-793,000	-25.76%
Inheritance & Estate	7,266,000	3,960,000	-3,306,000	-45.50%
Gasoline	52,574,000	47,768,000	-4,806,000	-9.14%
Petroleum Special	5,189,000	4,852,000	-337,000	-6.49%
Tobacco	7,265,000	8,932,000	1,667,000	22.95%
Beer	1,163,000	1,379,000	216,000	18.57%
Motor Vehicle Registration	15,286,000	13,245,000	-2,041,000	-13.35%
Motor Vehicle Title	898,000	840,000	-58,000	-6.46%
Mixed Drink	3,467,000	3,282,000	-185,000	-5.34%
Business	72,000	414,000	342,000	475.00%
Privilege	17,960,000	19,891,000	1,931,000	10.75%
Gross Receipts	326,000	120,000	-206,000	-63.19%
TVA - In Lieu of Tax Payments	16,544,000	16,407,000	-137,000	-0.83%
Alcoholic Beverage	3,479,000	4,255,000	776,000	22.31%
Sales and Use	474,206,000	556,290,000	82,084,000	17.31%
Motor Vehicle Fuel	12,777,000	8,424,000	-4,353,000	-34.07%
Severance	77,000	93,000	16,000	20.78%
Coin-operated Amusement	0	15,000	15,000	-
Total	\$751,910,000	\$807,641,000	\$55,731,000	7.41%

Table 2  
Tennessee Department of Revenue  
Comparative Statement of Collected Revenues

Class of Tax	August - January			
	2001-2002	2002-2003	Change	Percent
Franchise & Excise	\$397,907,000	\$409,699,000	\$11,792,000	2.96%
Income	13,628,000	7,613,000	-6,015,000	-44.14%
Inheritance & Estate	43,924,000	42,099,000	-1,825,000	-4.15%
Gasoline	288,567,000	308,736,000	20,169,000	6.99%
Petroleum Special	31,925,000	30,917,000	-1,008,000	-3.16%
Tobacco	41,624,000	54,679,000	13,055,000	31.36%
Beer	7,820,000	8,949,000	1,129,000	14.44%
Motor Vehicle Registration	89,171,000	90,056,000	885,000	0.99%
Motor Vehicle Title	5,149,000	5,334,000	185,000	3.59%
Mixed Drink	17,825,000	18,841,000	1,016,000	5.70%
Business	2,238,000	940,000	-1,298,000	-58.00%
Privilege	92,635,000	99,278,000	6,643,000	7.17%
Gross Receipts	14,815,000	10,428,000	-4,387,000	-29.61%
TVA - In Lieu of Tax Payments	100,622,000	100,194,000	-428,000	-0.43%
Alcoholic Beverage	15,834,000	17,854,000	2,020,000	12.76%
Sales and Use	2,382,822,000	2,780,564,000	397,742,000	16.69%
Motor Vehicle Fuel	74,547,000	76,984,000	2,437,000	3.27%
Severance	563,000	517,000	-46,000	-8.17%
Coin-operated Amusement	9,000	408,000	399,000	-
Total	\$3,621,625,000	\$4,064,090,000	\$442,465,000	12.22%

Table 3  
August - January Revenue Overcollections/(Undercollections)  
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ 2,100,000	\$ 100,000	\$ 2,200,000
Income Tax	(2,500,000)	(1,400,000)	(3,900,000)
Inheritance Tax	1,400,000	0	1,400,000
Privilege Tax	(300,000)	(400,000)	(700,000)
Gasoline & Motor Vehicle Registration	1,300,000	18,100,000	19,400,000
Other Taxes	(19,300,000)	(1,200,000)	(20,500,000)
	\$ (17,300,000)	\$ 15,200,000	\$ (2,100,000)
F & E Taxes	(24,000,000)	0	(24,000,000)
	<u>\$ (41,300,000)</u>	<u>\$ 15,200,000</u>	<u>\$ (26,100,000)</u>